



For Your BENEFIT

ANNUAL ENROLLMENT ISSUE

STATE OF LOUISIANA | OFFICE OF GROUP BENEFITS | FALL 2013

It's Annual Enrollment Time!

There are few changes to 2014's benefit plans

2014 ANNUAL
ENROLLMENT
OCT 1 - OCT 31

OGB's benefit plan offerings for 2014 should look familiar to anyone currently enrolled in one of our health plans. There are very few changes to this year's health and flexible benefit offerings. In addition, the premium reductions that went into effect in August will remain in place as we enter 2014. That means that for most people enrolled in one of OGB's plans, nothing will change next year unless they decide to select a different plan option.

Though there aren't many changes, there are some minor updates you should know about as we enter annual enrollment. You can find more details about

them on page 5. If you're happy with your current plan, you don't have to do anything at all to stay enrolled.

If you are a participant in the General-Purpose FSA, the Limited-Purpose FSA, or the Dependent Care FSA, you will have to re-enroll each year during Annual Enrollment. If you are already enrolled in Premium Conversion, you don't have to re-enroll.

If you're considering changing your plan, there are a few ways you can get information about your options so you can make the right choice for you and your family. Your first stop should be the OGB website. We've posted several videos that describe plan details for members and have included links to plan documents and other resources.

INSIDE

The Health Insurance Marketplace
Simple Ways to Save
Your Benefits in Retirement
Overview of 2014 Changes
Disease Management Program
Heads Up!
CDHP 101

If you still have questions, attend one of our meetings throughout the state (see the insert for a schedule of meetings and their locations). If you can't make a meeting or if your questions are still not answered, contact our customer service department at 800-272-8451 or (TTY toll-free) 800-259-6771.

As an OGB member, you have exceptional health and wellness resources available to you. Be sure to take advantage of what your plans have to offer by understanding your coverage and what's available for you and your family.

Explaining The Health Insurance Marketplace

Enrollment in state and federal exchanges is scheduled to begin October 1. Here's what you need to know.

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While some provisions of the Affordable Care Act (ACA) have been delayed another year, the Health Insurance Marketplace is still scheduled to go into effect in January 2014. Starting in October 2013, the Marketplace will allow individuals to look for and compare private health plans, get answers to questions about health coverage options, and enroll in a health plan.

Employers who offer health insurance are required to provide their plan members with information on the services and tax credits they may be eligible for through the exchange. Common questions about your OGB plan are answered below.

Can I Get Health Insurance from the Marketplace?

While you may be able to get health insurance through the Marketplace, your OGB plan meets the standards required by the ACA. Because of that, you probably won't be able to save money on your monthly premiums or out-of-pocket costs through a Marketplace plan. You can find out for sure at healthcare.gov.

Will I Have to Pay a Fee if I Don't Get a Plan Through the Marketplace?

No, you don't need to change to a Marketplace plan in order to avoid the fee that uninsured people may have to pay for 2014. Your OGB health plan meets the standards required by the ACA.

Could I Save Money With a Marketplace Plan?

Probably not. Most people who get health insurance through their employer will not save money by moving to a Marketplace plan. Whether that's true for you depends on your household size and income.

Because OGB's plan offerings meet the standards required by the ACA, you're not eligible for subsidized coverage through the Marketplace. However, if the cost of the OGB plan that covers you (and not any other members of your family) is more than 9.5% of your household income for the year, you may be eligible for a tax credit. If you buy a policy from the exchange without meeting the 9.5% rule, you may have to repay any subsidies or credits received.

Resources

Healthcare.gov

Run by the federal government, this site offers a comparison tool, answers to frequently asked questions, and the opportunity to enroll in insurance through the exchanges.

LHEC.net

The Louisiana Healthcare Education Coalition, led by Blue Cross Blue Shield of Louisiana, provides this site with information about the ACA, healthcare exchanges, and links to articles and resources that can help you understand the new option.

KFF.org/health-reform

The Kaiser Family Foundation site provides a calculator that estimates how a Marketplace plan could impact your family.

As you're considering your options, be aware that because the plans OGB offers meet ACA requirements, you may not qualify for lower costs on your monthly premiums and out-of-pocket costs, even if your income would qualify you otherwise. Also keep in mind that the State currently pays a portion of your premiums. If you choose a Marketplace plan instead, the State will no longer make a contribution to your premiums.

SIMPLE WAYS TO SAVE

It's no surprise that health care is one of the biggest expenses in the average American family budget. The cost of health care for a typical family of four is greater than the cost of groceries and the cost of fuel. While OGB is proud of the affordable, quality plans it provides, it's still important for you to keep saving money in mind as you're making your decision on which plan to choose this year.



1 One of the most effective things you can do to save money is to choose the right plan for your situation. It sounds obvious, but there are a lot of things to consider when selecting a plan. For example, out-of-state coverage differs by plan, so if you have dependents living out of state or if you travel a lot, choose a plan that provides coverage in the areas where you and your dependents will be located. Review the details of OGB's plans at www.groupbenefits.org.

2 Another easy way to save money is to request generic drugs when they're available. The FDA requires that generic drugs have the same active ingredients, strength, dosage and route of administration as brand-name drugs. Generics pass the same quality standards and are in many cases made in the same manufacturing plants as brand-name drugs. But they cost 80-85 percent less – mostly because generic manufacturers don't have to go through clinical trials since the brand-name drug has already been approved. Just ask your pharmacy if a generic is available when filling your prescriptions to see if you can save money.

3 Participating in one of the OGB Flexible Benefits Plan options, or Flexible Spending Arrangements (FSA), is another way to save money. With the Premium Conversion Option, you can pay for your premiums with your earnings before they're taxed. The General-Purpose FSA saves you money with out-of-pocket medical expenses before the money is taxed. The Dependent Care FSA saves you money, while you work, with eligible dependent care expenses for your child, spouse, or other dependent who is incapable of self-care.

For more tips on how to save, visit www.groupbenefits.org and watch the "Simple Ways to Save" video.



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Are you interested in getting your next newsletter electronically? Sign up for our e-newsletter at our website www.groupbenefits.org.

Your Benefits in Retirement

Whether you're planning to retire next year or in 30 years, it's important that you understand how your OGB benefits will work during retirement.

If you started participating in an OGB health plan before January 1, 2002, and have had no breaks in coverage, you will continue to receive the employer contribution towards your premiums at 75 percent when you retire.

The same applies to surviving spouses who have coverage that began before July 1, 2002 and have had no breaks in coverage since then. They will continue to receive the employer contribution towards their premiums at 75 percent.

If you have had a break in coverage or began participating in an OGB health plan after January 1, 2002, (or July 1, 2002 for surviving spouses) your premiums will be based on the participation schedule below.

It's important to note that LASERS' retirement schedule and

the OGB participation schedule are different. The LASERS schedule is based on years of service. However, your employer's contribution to your benefits in retirement depends on the number of years you participated in an OGB medical plan. If you were employed, but did not participate in an OGB plan, those years of service are not included in your eligibility for OGB benefits in retirement.

While employees nearing retirement may be able to purchase "air time" (Act 322) and retire early, the purchasing of air time does not affect an employee's eligibility for health plan coverage as a retiree. Air time purchases may result in higher health care premiums until your sunset date. (That's the date you could have retired without the purchase of air time. Only LASERS can provide the sunset date.) Employees considering purchasing airtime should check with LASERS to get more information.

As you near age 65, OGB recommends you and your covered spouse visit the nearest Social Security Administration office **90 days before your 65th birthday** to find out if you are eligible for Medicare Part A premium-free and to enroll in Parts A and B if you are.

Applying for Medicare **before you or your covered spouse reaches age 65** ensures that Medicare coverage begins **when you reach age 65**, allowing time for OGB to receive documents required to continue paying medical benefits **with no lapse in your OGB medical coverage**.

If you're not eligible for premium-free Medicare Part A - Obtain a letter or other written verification from the Social Security Administration confirming you are not eligible. Send a copy to OGB at the address below.

Office of Group Benefits
P. O. Box 66678
Baton Rouge, LA 70896

Note: If you are a full-time employee when you reach age 65, you are not required to enroll in Medicare Part B to continue your OGB coverage until you retire.

Years of Participation in an OGB plan	State's Share of Monthly Premium
20 or more	75%
at least 15, but less than 20	56%
at least 10, but less than 15	38%
Less than 10	19%

Overview of Changes

Though there are very few changes to this year's medical benefit offerings, there are still a few updates you should be aware of as you plan for 2014.

Pre-Existing Condition Requirement Eliminated for Adults

One of the provisions of the Affordable Care Act was the elimination of the pre-existing condition requirement included in many health plans. In 2010, the requirement was lifted for children below the age of 19. Beginning in January 2014, adults will no longer be bound by pre-existing condition exclusions either.

Region One Now Eligible for Vantage Medical Home HMO Plan

If you're in the New Orleans area, you have a new option for your insurance. Vantage Medical Home HMO is now available in your area. For details, visit the OGB website and review the Vantage plan document and Summary of Benefits and Coverage, including the list of providers.

Authorization Change for Vantage Plans

Vantage is pleased to announce that members are no longer required to obtain referrals to be seen by in-network specialists. If you have any questions, contact Vantage member services at (888) 823-1910.

Medicare Plans through Extend Health Exchange

OGB is partnering with Extend Health, the largest private Medicare exchange in the United States, to offer access to multiple Medicare plans for 2014. Retirees who enroll in a Medicare plan through the Extend Health exchange will be enrolled in a health reimbursement arrangement (HRA) and will receive HRA credits of \$200 to \$300 per month from the state – up to \$2,400 per year with single coverage or up to \$3,600 per year with coverage for more than one Medicare beneficiary. They can use these HRA credits to pay premiums for Medicare Advantage plans, Medicare Part B, Medicare Part D prescription drug plans, Medigap plans and dental and vision plans.

You're Invited to Learn More

During October, we are hosting meetings all over the state to talk about our plan offerings and answer any questions you may have. **We are hosting fewer meetings than we have in the past**, so please review the schedule inserted in this newsletter carefully.

You can also view the schedule at our website: www.groupbenefits.org. If you can't make a meeting, plan information and materials from the meetings will be available on the website as well.

2014 Annual Enrollment Meeting Schedule

As we begin enrollment for the 2014 plan year, it's important to consider your health insurance, life insurance and flexible benefits options carefully. Each plan member has a unique health history and medical needs and the Office of Group Benefits wants to make sure you understand the options available to you so you can make the choice that's best for you and your family.

During October, we are hosting meetings all over the state to talk about our plan offerings and answer your questions. We are hosting fewer meetings than we have in the past, so please review the schedule carefully. Keep in mind that you are **not** required to attend a meeting. Plan information and materials from the meetings will be available on our website at www.groupbenefits.org. And as always, if you have questions about your health coverage or annual enrollment, you can contact OGB at 225-925-6625 or 225-925-9770 (TDD) in the Baton Rouge area or toll-free at 1-800-272-8451 or 1-800-259-9771 (TDD).

ANNUAL ENROLLMENT CHECKLIST

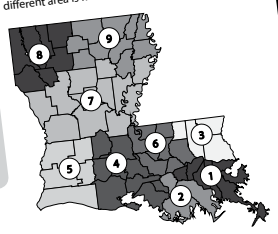
Step 1: Determine your membership group.
The information presented in each meeting will depend on the type of plans available for each of the groups below. If you aren't sure which group you fall in, contact us at 1-800-272-8451.

- » **Active employees and retirees without Medicare** - If you are currently employed, if you're retired but not yet 65 years old, or if you are not eligible for Medicare because you haven't paid enough quarters into Social Security, you probably fall into this group.
- » **Retirees with Medicare** - If you are retired, 65 or older, have Medicare as your primary insurance and have NOT signed up for a Medicare Advantage plan, you are probably in this group.
- » **Retirees with Medicare Advantage** - If you are retired, over 65 AND have signed up for a Medicare Advantage plan, this is likely your group.

Step 2: Determine your region.
Some plans are available only in certain regions. Know your region before you begin reviewing plan options.

Step 3: Watch the annual enrollment videos
Visit www.groupbenefits.org to watch this year's overview videos. If you still have questions, move on to step 4.

Step 4: Attend one of the meetings
Review the meetings listed on the following pages and choose the one most convenient for you. We're hosting meetings in each region, but you do not have to attend a meeting in your region if one in a different area is more convenient.



Take Control of Your Health...and Save Money!

If we can't contact you, you may be missing out!

Chronic diseases are some of the most costly and preventable health problems in the U.S today. A staggering 133 million Americans have at least one chronic condition. Even more surprisingly, 75 percent of all health care costs are related to chronic conditions.

OGB and Blue Cross and Blue Shield of Louisiana offer In Health: Blue Health Disease Management Program — a health management program that helps members with chronic conditions. If you have one of the conditions listed below, do NOT have Medicare as your primary insurance and are enrolled in the Blue Cross PPO or HMO plan, you have free access to a disease management program that can help you take control of your health.

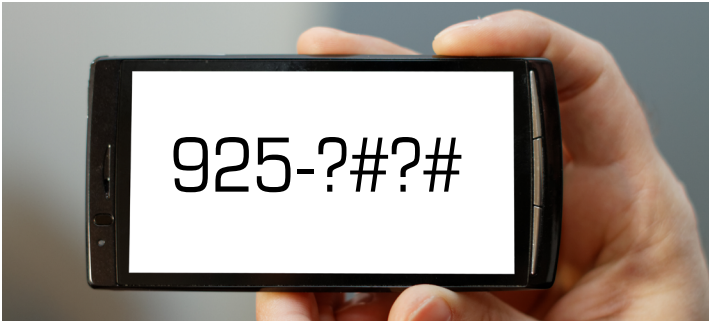
Why Join?

Eligible Conditions
Asthma
COPD
Coronary Artery Disease
Diabetes
Heart Failure

At no additional cost to eligible members, In Health: Blue Health Disease Management Program offers you health coaching, prescription incentives, educational materials and caring support. Pay only \$15 for brand-name drugs, when a generic is not available and \$0 for generic drugs for a 31-day supply of covered drugs.

If you were previously enrolled in the Living Well Louisiana program, but did not enroll in the Blue Cross In Health Disease Management Program, you must re-enroll to receive the zero dollar generic drug copay and \$15 brand name drug copay incentive. To enroll or confirm your enrollment, call a Blue Cross Health Coach toll-free at 1-800-363-9159.

To ensure Blue Cross Blue Shield of Louisiana can reach you with details of the program, update your contact information with your agency's HR representative. Once enrolled, all you have to do is contact a health coach every 90-days to talk about your daily routine and how you're managing your condition.



Be sure to update your contact information so you don't miss the chance to save money on your prescriptions.

Heads Up! New Clinic Sites Opening Across the State



Obesity is a serious problem across the nation, and OGB members are no exception. That's why OGB and Pennington Biomedical Research Center teamed up nearly three years ago to pilot a weight loss program designed to help severely overweight members lose weight

and reduce their risk of chronic disease and other health problems.

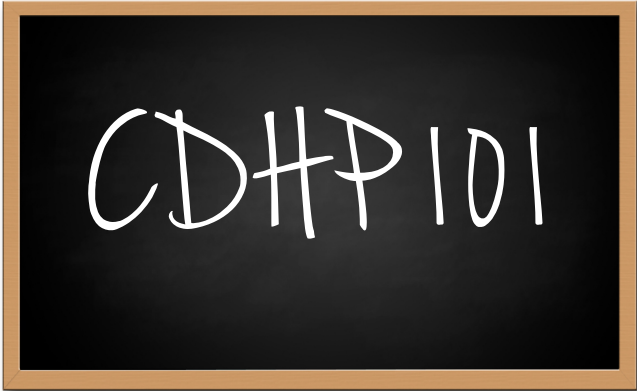
Beginning in October 2013, additional clinic sites are scheduled to open in several cities including New Orleans, Lafayette, Lake Charles and Alexandria.

If you're interested in participating, click the Heads Up link on OGB's homepage, groupbenefits.org, for more details on how to begin the screening process.

To participate, you must consent to treatment and have your medical information analyzed in an observational research study.

If you have already completed the web screening in response to the earlier mail out and have not been selected by a lottery, you are still in our database and don't need to complete it again. If you were chosen by one of the earlier lotteries and screened for surgery, you are not eligible to try again.

Make Sense of the CDHP



Though national enrollment in consumer-driven health plans (CDHPs) has grown massively over the past few years, many people still don't consider the plans and the health savings accounts (HSAs) that go along with them when selecting their benefits each year. OGB's CDHP can be a great option for active employees and their families, and some of you may be missing out because of misconceptions or confusion about the way it works. So, let's try to clear things up.

For simplicity's sake, we'll use the employee-only plan as the example. If you're enrolled in an employee-only plan, the CDHP deductible is \$1,250*. *\$1,250!? That's more than double the amount of the PPO deductible!* But, wait. Don't give up yet. One of the perks of the CDHP doesn't show up in the deductible column of the benefit comparison chart. As a member of a CDHP, you get a health savings account (HSA). And the State contributes \$200 each year to your HSA, **even if you contribute nothing.**

That leaves you with a deductible of \$1,050 that you'll have to cover another way. And here's where things get tricky. You can contribute to your HSA as well. Your contributions are pre-tax and the State will match them (up to \$575). So, if you put in \$575, the State will put in \$575. Now, instead of paying a \$1,250 deductible, you'll only pay \$475 of it while contributing an additional \$100 to your HSA that can be used for other healthcare costs.

Employer contribution	\$200
Your contribution	\$575
Employer match	\$575
Total contribution	\$1,350

It's important to note that once you meet your deductible, you're still required to pay 20 percent of covered medical expenses when using doctors, pharmacies and other in-network providers and 30 percent when you select out-of-network providers until you reach the out-of-pocket max — which is \$3,250 for a single employee. However, one of the best things about a HSA is that it rolls over. So, if you have money in your HSA and don't use it, you don't lose it. Next year, you'll already have part of your out-of-pocket expenses covered. If you end up in the hospital or if you have to fill an expensive prescription, you can use your

HSA. And if you retire or change jobs, your HSA is yours to keep. The other advantage to the CDHP is lower premiums. You can save \$380 a year in premiums by switching from the PPO or \$285 by switching from the HMO.

Employee Share of Annual Premiums (employee-only plan)		
CDHP	HMO	PPO
\$1317.36	\$1603.44	\$1697.04

Lower premiums and an interest-bearing health savings account can be great things. But, that doesn't necessarily mean you should drop your current plan and sign up for the CDHP right this second. Your health needs are unique and you know best what type of plan suits your situation. Just don't write off the option of the CDHP without looking closer. You may be missing out!

HSA Facts

- After age 65 you can use the money in your HSA for any expense, even non-health-care related items.
- Your HSA may earn interest.
- You pay no taxes on the money you put in your HSA.
- Your IRS limits tax-free contributions to \$3,300 for employee coverage and \$6,550 for family coverage. If you're over 55, you can contribute an additional \$1,000 tax-free.

* Review the schedule of benefits for details of the CDHP family plan. The deductible for a family plan can be met by one member or a combination of members. PAGE 7



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Permit # 266

This document was printed for the Office of Group Benefits in September 2013 by Moran Printing to inform state employees and retirees about benefits at a total cost of \$31,850 for 135,000 copies (23.6 cents each) in this first and only printing, under authority of the Division of Administration in accordance with standards for printing by state agencies established pursuant to La. R S. 43:31.

Looking for More Information?

For information about **health plan benefits**, pre-authorization, claims or payments:

PPO/HMO/ CDHP	Blue Cross	800-392-4089
Medical Home HMO/ Vantage Medicare Advantage HMO/ Vantage \$0 Premium Medicare Advantage HMO	Vantage	888-823-1910 318-361-0900
Peoples Health Medicare Advantage HMO	Peoples Health	866-912-8304
Individual Medicare Plan (HRA)	ExtendHealth	855-663-4228

COBRA eligibility, premiums and premium payments continue to be handled by OGB Customer Service at (toll-free) 800-272-8451 or (TTY toll-free) 800-259-6771. COBRA payments must be mailed to the Office of Group Benefits, P. O. Box 96120, Baton Rouge, LA 70896. COBRA election forms must be faxed to 225-925-4074 or mailed to the OGB Eligibility Division at P.O. Box 66678, Baton Rouge, LA 70896.